

disease are met to the extent possible and practical with wild elk, DNR tests the elk for tuberculosis and brucellosis, and DNR ~~does not seek a reduction of road access in connection with introducing the elk.~~

Current law authorizes DNR to establish open seasons for hunting game. The bill prohibits DNR from establishing an open season for hunting elk that begins earlier than the Saturday nearest October 15.

\*\*\* ANALYSIS FROM -1194/4 \*\*\*

Under current law, DNR issues small game hunting licenses and annual fishing licenses at no charge to any resident who is in active service with the armed forces and who is in the state on furlough or leave.

Under this bill, DNR must issue a resident small game hunting license, a resident deer hunting license, a resident archer hunting license, or a resident annual fishing license without charging a fee to a resident who served during the Iraq or Afghanistan wars (war period) as a member of the U.S. armed forces, or as a member of a reserve component of the armed forces or national guard. Only one license may be issued to each person who applies and the license must be issued within one year of the person being released or discharged from the armed forces or national guard.

\*\*\* ANALYSIS FROM -0381/5 \*\*\*

OTHER NATURAL RESOURCES

Current law authorizes the state to incur public debt for certain conservation activities under the Warren Knowles-Gaylord Nelson Stewardship 2000 Program (stewardship program), which is administered by DNR. The state may incur this debt to acquire land for the state for conservation purposes and for property development activities and may award grants or state aid to certain local governmental units and nonprofit conservation organizations to acquire lands for these purposes.

Current law establishes the amounts that DNR may obligate in each fiscal year through fiscal year 2019-20 for expenditure under each of the five stewardship subprograms. This bill decreases the amount that DNR may obligate under the land acquisition subprogram for fiscal years 2013-14 and 2014-15 and makes a corresponding increase to the amount that DNR may obligate for those fiscal years under the subprogram for property development and local assistance. The bill does not change the amounts established in current law that DNR may obligate under these subprograms for fiscal years 2015-16 through fiscal years 2019-20 nor does it change the total bonding authority under the stewardship program.

This bill also authorizes DNR to set aside specified amounts under the property development and local assistance subprogram for the purpose of infrastructure improvements to the Kettle Moraine Springs fish hatchery.

\*\*\* ANALYSIS FROM -0769/P1 \*\*\*

Current law authorizes DNR to contract public debt for the purpose of funding a dam safety program. The debt service on this debt is paid from both the general fund and the conservation fund. This bill increases DNR's bonding authority, debt service on which is paid from the general fund, by \$4,000,000 to \$17,500,000.

\*\*\* ANALYSIS FROM -1554/2 \*\*\*

*for the purpose of funding a dam safety program*

Under current law, the federal government makes annual national forest income payments to this state from revenue derived from national forests located in this state. Under current law, DNR distributes these payments on behalf of this state to counties containing national forest lands which, in turn, distribute this money to towns in accordance with the number of acres of national forest land located within each respective town's boundaries.

no 91 This bill requires DNR to distribute national forest income to school districts instead of distributing it to counties for distribution to towns.

\*\*\* ANALYSIS FROM -0228/3 \*\*\*

Under current law, by January 31 of each year, DNR pays a taxation district an amount for each parcel of land located in the district that has been purchased by DNR. The taxation district then pays each taxing jurisdiction, including the state, an amount based on the taxing jurisdiction's proportionate share of property taxes that would have otherwise been levied on the land. Under current law, the state is considered a taxing jurisdiction because it levies a forestation state property tax. The forestation state property tax revenue is deposited into the conservation fund and used, generally, for acquiring, preserving, and developing state forests.

Under this bill, DNR makes its payment to the taxation district but withholds from the payment an amount equal to the forestation state property tax that would otherwise have been levied on the land and deposits that amount into the conservation fund.

\*\*\* ANALYSIS FROM -1612/2 \*\*\*

Current law requires that vehicles entering state parks or other recreational sites managed by DNR display an annual or daily vehicle admission receipt (admission sticker). This bill requires DNR to waive the fee for an annual admission sticker for a vehicle with Wisconsin plates if the owner of the vehicle is both a Wisconsin resident and a person serving on active duty in the U.S. armed forces (resident service member).

no 91 This bill also requires DNR to waive the annual fee for admission to state funds for a person who is a resident service member. Each resident service member qualifies for the fee waiver for state parks and state trails only once.

Under current law, vehicles are exempt from the admission sticker requirement from November 1st to March 31st, and trail users are exempt from the admission fee requirement for state trails from October 27th to March 31st. This bill exempts a vehicle with a resident service member as an occupant from the admission sticker requirement on Veterans Day and during the three-day Memorial Day weekend and exempts a resident service member from a trail admission fee on these days.

\*\*\* ANALYSIS FROM -0251/3 \*\*\*

### RETIREMENT AND GROUP INSURANCE

Under current law, a Wisconsin Retirement System (WRS) participant who has applied to receive an annuity must wait at least 30 days between terminating WRS-covered employment and returning to WRS-covered employment as a participating employee. If the participant does not wait the 30-day period, the participant is not eligible to receive a WRS retirement annuity. This bill provides

*to be eligible for an annuity*

that the participant must remain separated from WRS-covered employment for at least 75 days.

Currently, when a WRS participant terminates employment and receives an annuity he or she may return to WRS-covered employment and either terminate the annuity and again become a WRS participating employee or, instead, continue to receive the annuity, as well as wages from WRS-covered employment. If a participant does not terminate the annuity, the participant may not be a WRS participating employee and, in the case of state employment, is not eligible for group insurance benefits, and may not use any of his or her employment service as a rehired annuitant for any WRS purposes. If the participant terminates the annuity, the participant returns to participating employee status *and* is eligible for all group insurance benefits provided other participating employees, *as well as* is able to accumulate additional years of creditable service under the WRS for the additional period of covered employment. *ang*

The bill provides that if a WRS participant who is receiving an annuity, or a disability annuitant who has attained his or her normal retirement date, is appointed to a position in WRS-covered employment in which he or she is expected to work at least two-thirds of what is considered full-time employment by DETF, the participant's annuity must be terminated and no annuity payment is payable until after the participant again terminates covered employment.

\*\*\* ANALYSIS FROM -0310/1 \*\*\*

2011 Wisconsin Act 32 increased the number of hours that an employee must work in order to become a WRS participating employee *from one-third of what is considered full-time employment* to two-thirds of what is considered full-time employment, as determined by DETF by rule. Under 2011 Wisconsin Act 32, this change in law did not apply to those employees who were first hired by a WRS employer before July 1, 2011, regardless of whether they were participating employees before that date. This bill provides that in order to be exempt from this change in law, employees must have been participating employees before July 1, 2011.

\*\*\* ANALYSIS FROM -1024/7 \*\*\*

State employees receive health insurance through plans offered by the Group Insurance Board (GIB). This bill requires GIB, beginning on January 1, 2015, to offer a high-deductible health insurance plan and a health savings account. Federal law authorizes the establishment of health savings accounts, under which individuals and their employers may make tax-exempt contributions that can be used for the payment of medical expenses. Federal law sets annual contribution limits. As a condition of establishing a health savings account, an individual must be covered under a high-deductible health insurance plan. The specific requirements of the high-deductible plans are set in federal law, but generally require the payment of deductibles and certain out-of-pocket expenses before an individual's medical services are covered under the plan. The bill also requires the state to make contributions into an employee's health savings account in an amount determined annually by the Director of OSER.

\*\*\* ANALYSIS FROM -0459/5 \*\*\*

Currently, the director of OSER establishes the amount that employees must pay for health insurance premiums, subject to a general provision that the state may not pay more than 88 percent of the average premium costs of the lowest cost health insurance plans. Under current law, health insurance plans are assigned to three different tiers, depending on cost.

This bill provides that the state may not pay more than 88 percent of the average premium costs of the health insurance plans in each tier. ^

1077 In addition, the bill provides that if any tier contains no health insurance plans, but that tier is used to establish the premiums for employees who work and reside outside of the state, the amount these employees must pay is based on the premium contribution amount for that tier in the prior year, adjusted by the average percentage change of the premium contribution amount of the other tiers from the prior year.

Finally, the bill provides that craft employees must pay all of their health insurance premiums, unless otherwise determined by the director. A craft employee is a state employee who is a skilled journeyman craftsman, including the skilled journeyman craftsman's apprentices and helpers, but does not include employees not in direct line of progression in the craft. A craft employee may be either nonrepresented or in a collective bargaining unit.

\*\*\* ANALYSIS FROM -0311/7 \*\*\*

Current law provides that GIB may not enter into an agreement to modify or expand any group insurance coverage in a manner that conflicts with laws or rules promulgated by DETF or that materially affects the level of premiums or the level of benefits under any group insurance coverage. This bill permits the GIB to modify or expand benefits if the modification or expansion is required by law or would maintain or reduce premium costs for the state or its employees in the current or any future year.

\*\*\* ANALYSIS FROM -1025/9 \*\*\*

State employees currently receive health care coverage under plans offered by GIB. This bill provides that, beginning in 2014, GIB must impose a premium surcharge for state employees and retired state employees who use tobacco products and may terminate the health care coverage of any eligible employee who falsely claims that he or she does not use tobacco products. During 2014 and 2015, the surcharge is \$50 a month. The bill further provides that the premium surcharges paid by annuitants who use tobacco products are be used to reduce future health care coverage premiums for annuitants and to reimburse DETF for costs incurred by DETF in providing health care coverage to annuitants.

\*\*\* ANALYSIS FROM -0244/1 \*\*\*

WRS is established as a governmental plan and as a qualified plan for federal income tax purposes under the Internal Revenue Code (IRC). Under current law, no WRS benefit plan may be administered in a manner which violates a provision of the IRC that authorizes or regulates the benefit plan or that would cause an otherwise tax exempt benefit to become taxable under the IRC. This bill updates and conforms numerous provisions governing WRS benefits and the administration of the WRS to the IRC.

*under JCF's passive review process*

**\*\*\* ANALYSIS FROM -0250/3 \*\*\***

The bill requires the secretary of employee trust funds to submit an annual report to the secretary of administration and JCF on DETF's progress in modernizing its business processes and integrating its information technology systems.

The bill further provides that, during the 2013-15 fiscal biennium, the secretary of employee trust funds may request the governor to supplement any sum certain appropriation from the public employee trust fund for the purpose of modernizing business processes or integrating information technology systems of DETF. *of* ~~Under the bill, upon receiving such a request, the governor may approve or modify the request. If the governor proposes to approve or modify the request, the~~

*and* ~~governor must notify JCF the proposed action. If, within 14 working days after the governor's notification, the cochairpersons do not notify the governor that JCF has scheduled a meeting, the supplements are approved. If the cochairpersons notify the governor that JCF has scheduled a meeting for the purpose of reviewing the proposed action, the supplements may be made only upon approval of JCF.~~

Finally, the bill provides that, during the 2013-15 fiscal biennium, the secretary of employee trust funds may request the governor to create or abolish a full-time equivalent position or portion thereof that is funded from revenues deposited in the public employee trust fund if the employee holding the position would perform duties relating to modernizing business processes or integrating information technology systems. Upon receiving such a request, the governor may approve or modify the request. *under passive review* ~~If the governor proposes to approve or modify the request, the governor must notify JCF of the proposed action. If, within 14 working days after the governor's notification, the cochairpersons do not notify the governor that JCF has scheduled a meeting, the position changes may be made. If the cochairpersons notify the governor that JCF has scheduled a meeting for the purpose of reviewing the proposed action, the position changes may be made only upon approval of JCF.~~

**EMPLOYMENT**

*Insert RAC-1* ~~Currently, DWD may provide records made or maintained in connection with the administration of the unemployment insurance (UI) program to any government unit. No such unit may permit inspection or disclosure of any record provided to it by DWD unless DWD permits.~~

~~This bill provides that DWD may provide certain specific information to DOR for certain specific purposes, subject to the same limitation upon inspection or disclosure of the information that is currently provided. Since the bill authorizes an activity that is permitted under current law, this provision has no legal effect.~~

**HEALTH AND HUMAN SERVICES**

**CHILDREN**

~~Subject to certain exceptions, current law requires a social services agency, including DCF, to maintain the confidentiality of records kept or information received about an individual who is or was in the care or legal custody of the agency. The bill permits DCF to provide to DOR, upon request, information concerning a recipient of kinship care payments or aid granted on behalf of a child placed in a~~

foster home, group home, subsidized guardianship home, or residential care center for children and youth, including information contained in the electronic records of DCF, solely for the purposes of administering state taxes, including verifying a claim for a state tax refund or a refundable state tax credit, and collecting debts owed to DOR.

#### **PUBLIC ASSISTANCE**

Current law prohibits any person from disclosing information about individuals applying for or receiving benefits under a number of public assistance programs for any purpose not related to administration of the programs. DCF is authorized, however, to disclose such information to DOR for the sole purpose of administering state taxes. The bill provides that DCF and DHS may disclose such information by transmitting or allowing access to electronic data, that administering state taxes includes verifying refundable income tax credits, and that the information may also be disclosed for the purpose of collecting debts owed to DOR.

#### **OTHER HEALTH AND HUMAN SERVICES**

Under current law, disclosure of information from vital records is limited. Among other specified, limited disclosures, the state or local registrar may disclose certain information from a vital record to a federal, state, or local agency, upon request by that agency, for use in the conduct of the agency's duties and may disclose a social security number on a vital record to DCF or a county child support agency for purposes related to child and spousal support and establishment of paternity. This bill allows the state or local registrar to disclose information on vital records, including a social security number, to DOR, upon DOR's request, for the following purposes related to administering state taxes and collection of debts referred to DOR: locating persons, or assets of persons, who have failed to file tax returns, have underreported their taxable income, or are delinquent debtors; identifying fraudulent tax returns and credit claims; and providing information for tax-related prosecutions.

#### **RETIREMENT AND GROUP INSURANCE**

#### **TRANSPORTATION**

##### **DRIVERS AND MOTOR VEHICLES**

Current law requires DOT to issue an identification card, upon proper application, to a resident who does not hold a valid driver's license containing a photograph. DOT must maintain current records for identification cards in the same manner as required for driver's licenses. DOT may not disclose any identification card record or other information about an identification card applicant except in limited circumstances, including to a court, district attorney, or law enforcement agency.

Current law also requires DOT to provide to DOR a person's name, address, license number, and social security number, as stated on the person's application for a driver's license or identification card, for DOR's use in administering state taxes and collecting debt.

This bill specifies that DOT may, upon request, provide to DOR identification card information maintained by DOT, including social security numbers. DOR is subject to certain confidentiality requirements with respect to this information.

\*\*\* ANALYSIS FROM -0439/1 \*\*\*

## SAFETY AND PROFESSIONAL SERVICES

### BUILDINGS AND SAFETY

Under current law, most persons who act as construction contractors must be registered by DSPS. This bill repeals this registration requirement.

\*\*\* ANALYSIS FROM -0387/7 \*\*\* including

Under current law, DSPS has various duties and powers relating to regulation of petroleum products and hazardous substances. ins

1. DSPS prescribes grade specifications for gasoline and similar fuels and administers laws regulating the inspection and sale of those fuels and other petroleum products. ins

2. DSPS regulates the installation, maintenance, and removal of tanks that contain flammable or combustible liquids or federally regulated hazardous substances (dangerous materials). ins

3. DSPS is required to administer a program to inventory aboveground and underground petroleum storage tanks. ins

This bill transfers these powers and duties, except for those that relate to the reviewing of plans for dangerous materials, from DSPS to DATCP.

\*\*\* ANALYSIS FROM -0221/P3 \*\*\*

### PROFESSIONAL REGULATION

Under current law, DSPS regulates professional employer organizations and professional employer groups that contract with clients for, among other services, the nontemporary placement of employees with those clients, and DSPS regulates the fund-raising activities of charitable organizations, professional fund-raisers, and fund-raising counsel. move, no ff

This bill transfers the regulation of professional employer organizations, professional employer groups, charitable organizations, professional fund-raisers, and fund-raising counsel from DSPS to DFI. Under the bill, DFI registers all of those persons and administers the laws governing their practices. The bill also gives DFI a number of general powers and duties concerning the regulation of those persons that are similar to the powers and duties DSPS exercises under current law, including the following: many of

1. DFI may issue subpoenas for the attendance of witnesses and the production of documents or other materials before a disciplinary or other proceeding concerning a practice regulated by DFI under the bill.

2. DFI is required to establish the content and form of each type of registration it issues to a professional employer organization, professional employer group, charitable organization, professional fund-raiser, or fund-raising counsel, and DFI may require a registered person to display in the person's office or primary place of business the person's certificate of registration and a notice describing the procedures for filing a complaint with DFI concerning the person's professional conduct.

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3. DFI must obtain the social security number of an individual who applies for a registration under the bill, or the person's federal employer identification number if the person is a business. The bill restricts DFI's use and disclosure of social security numbers, as well as other personal identifying information under certain circumstances, that DFI obtains in connection with its regulatory functions under the bill.

4. DFI must give notice to a registered person before a registration's renewal date. DFI may deny an application for initial registration or registration renewal if the applicant fails to comply with any applicable requirement or if DFI determines that denial of the application is necessary to protect the public health, safety, or welfare.

5. DFI must deny an application for a registration or take certain actions against a registered person if the person is liable for delinquent state taxes or delinquent child support or fails to comply with a subpoena or warrant concerning a child support or paternity proceeding.

6. DFI may investigate an applicant for registration and may investigate whether an applicant for registration or a registered person has a criminal history.

7. DFI may conduct investigations and hold hearings to determine whether any person has violated the laws DFI administers under the bill. A person who violates the laws DFI administers under the bill may be subject to an injunction or criminal penalties. The bill authorizes DFI to issue an administrative warning against a registrant in lieu of conducting a disciplinary proceeding if certain requirements are met.

8. DFI may conduct investigations, hold hearings, and make findings concerning a person's performance of a practice or use of a title without a required registration issued by DFI. DFI may issue an injunction against such a person, or DFI may petition a circuit court to issue a temporary restraining order or an injunction. If a person violates a DFI or court order enjoining the person's unlawful use of a title or performance of a practice regulated by DFI, that person may be subject to criminal penalties.

9. DFI is required to determine the fee for an initial registration and registration renewal, including any late fee, for each type of registration DFI administers under the bill. Current fees remain in effect until adjusted by DFI.

\*\*\* ANALYSIS FROM -0295/P1 \*\*\*

Under current law, the pharmacy examining board administers a program to monitor the dispensing of prescription drugs in this state by pharmacists and other persons authorized to write prescriptions for patients. Current law also requires DSPS to seek federal moneys to fund the establishment and initial operation of that prescription drug monitoring program.

This bill eliminates that federal funding requirement. The bill also authorizes the expenditure of moneys appropriated to the medical examining board for the purpose of the pharmacy examining board's operation of the prescription drug monitoring program.

\*\*\* ANALYSIS FROM -1070/7 \*\*\*



## STATE GOVERNMENT

## STATE EMPLOYMENT

This bill establishes a pay progression plan for assistant state public defenders and assistant attorneys general. The pay progression plan consists of 17 hourly salary steps, with each step equal to one-seventeenth of the difference between the lowest and the highest hourly salary for the salary range for assistant state public defenders and assistant attorneys general. The pay progression plan is based entirely on merit.

Under the bill, beginning with the first pay period that occurs on or after July 1, 2013, all assistant state public defenders and assistant attorneys general who have served with the state for a continuous period of 12 months or more, and who are not paid the maximum hourly rate, must be paid an hourly salary at the step that is immediately above their hourly salary on June 30, 2013. All other assistant state public defenders and assistant attorneys general, who are not paid the maximum hourly rate, must be paid an hourly salary at the step that is immediately above their hourly salary on June 30, 2013, when they have served with the state as assistant state public defenders or assistant attorneys general for a continuous period of 12 months. *consisting*  
*receive the same increase*

In addition, beginning with the first pay period that occurs on or after July 1, 2014, and with the first pay period that occurs on or after each succeeding July 1, all assistant state public defenders and assistant attorneys general who have served with the state for a continuous period of 12 months or more, and who are not paid the maximum hourly rate, may, at the discretion of the state public defender or the attorney general, whichever is appropriate, be paid an hourly salary at any step, or part thereof, above their hourly salary on the immediately preceding June 30. All other assistant state public defenders and assistant attorneys general, who are not paid the maximum hourly rate, may, at the discretion of the state public defender, be paid an hourly salary at any step, or part thereof, above their hourly salary on the immediately preceding June 30, when they have served with the state as assistant state public defenders or assistant attorneys general for a continuous period of 12 months. The bill provides, however, that no salary increase may exceed 10 percent during a fiscal year. *or the attorney general*

## \*\*\* ANALYSIS FROM -0798/P5 \*\*\*

This bill attaches the Wisconsin Employment Relations Commission (WERC) to DWD. Currently, WERC is an independent state agency. The bill also eliminates a requirement that WERC commissioners may not have other employment and provides that newly-appointed commissioners are appointed to two-thirds of a full-time equivalent position.

## \*\*\* ANALYSIS FROM -0707/2 \*\*\*

Currently, each cabinet secretary may appoint an executive assistant to perform duties prescribed by the secretary. This bill eliminates this power and instead authorizes each secretary to appoint an assistant deputy secretary to perform duties prescribed by the secretary.

## \*\*\* ANALYSIS FROM -1338/2 \*\*\*

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**STATE FINANCE**

This bill increases the amount of state public debt that may generally be contracted to refund any unpaid indebtedness used to finance tax-supported or self-amortizing facilities from \$1,775,000,000 to \$3,785,000,000.

\*\*\* ANALYSIS FROM -1123/1 \*\*\*

Current statutes provide that no bill directly or indirectly affecting general purpose revenues may be adopted if the bill would cause the estimated general fund balance on June 30 of any fiscal year to be less than a certain amount of the total general purpose revenue appropriations for that fiscal year. Currently, for fiscal years 2015-16 and 2016-17, and for each fiscal year thereafter, the amount is 2 percent of total general purpose revenue appropriations for that fiscal year.

No 91 This bill provides that for fiscal years 2015-16 and 2016-17, the amount is \$65,000,000; and for 2017-18 and each fiscal year thereafter, the amount is 2 percent of total general purpose revenue appropriations for that fiscal year.

\*\*\* ANALYSIS FROM -1246/1 \*\*\*

MAXIMUM

Currently, in any fiscal year, the secretary of administration may temporarily reallocate moneys to the general fund from other state funds in an amount not to exceed, at any one time, 5 percent of the total general purpose revenue appropriations for that fiscal year. This bill increases that amount to 9 percent.

\*\*\* ANALYSIS FROM -0726/1 \*\*\*

This bill creates a sum sufficient appropriation from the general fund to pay fees to financial institutions relating to the investment of moneys in the general fund in the state investment fund, other than moneys in program revenue appropriation accounts to the Board of Regents of the UW System, that are not otherwise paid from earnings from the investment of the moneys.

\*\*\* ANALYSIS FROM -0875/2 \*\*\*

This bill transfers: 1. \$16,000,000 from the petroleum inspection fund to the transportation fund in each year of the fiscal biennium.

\*\*\* ANALYSIS FROM -1121/3 \*\*\*

2. \$23,000,000 from the general fund to the transportation fund in the fiscal biennium.

\*\*\* ANALYSIS FROM -1264/1 \*\*\*

3. \$750,000 from the agricultural management fund to the environmental fund in fiscal year 2013-14.

\*\*\* ANALYSIS FROM -1320/1 \*\*\*

4. \$5,300,000 from the general fund to the veterans trust fund in fiscal year 2013-14.

\*\*\* ANALYSIS FROM -1023/P4 \*\*\*

**STATE PROCUREMENT**

Current law generally authorizes state agencies to purchase materials, supplies, or equipment. With some exceptions, purchases for which the estimated cost exceeds \$50,000 require bids to be invited or proposals to be solicited. Also, under current law, if a state agency enters into or renews a contract for services that involves an estimated expenditure of more than \$25,000, the agency must conduct either a uniform cost-benefit analysis for a new contract or a continued

\*appropriateness review for a contract renewal. This bill raises the threshold to \$50,000 for either and exempts the following services: services that must, by law, be performed by contract; services incidental to the purchase of a commodity; services that must be provided per a contract, license, or warranty; services that cannot be performed by state employees; services that are expected to be completed within 12 months; and Web-based software application services that are delivered and managed remotely.

Current law requires DOA to certify a business as a disabled veteran-owned business, a woman-owned business, or a minority business, but has different requirements for each certification. For instance, DOA may certify a business as a

minority business if another state agency, a municipality, the federal government, an American Indian tribe, or, if it uses substantially the same procedures as DOA would use, a private business certifies the business as such. This bill makes the certification practice consistent by permitting DOA to certify a business as a disabled veteran-owned business or a woman-owned business if one of the entities listed above certifies it as such.

Under current law, DOA must maintain a list of entities that are ineligible for state contracts because they have violated a state procurement contract or a statute governing state procurement. This bill requires DOA to include on the list an entity that has been debarred from contracting with the federal government or any other state agency.

Under current law, in a report that DOA submits to the governor and the legislature, DOA must document how the division of legal services has reduced the state's use of contracted employees. This bill eliminates that requirement from the report. include this information

#### \*\*\* ANALYSIS FROM -1022/P5 \*\*\*

Under current law, with some exceptions, DOA must let by contract to the lowest qualified responsible bidder all construction work when the estimated construction cost of the project exceeds \$50,000 or, if the estimated cost is less, when contracting is in the best interest of the state. This bill requires DOA, for any project that has an estimated construction cost that exceeds \$185,000, to let the project to the lowest qualified responsible bidder through single prime contracting. "Single prime contracting" is a process in which DOA selects all mechanical, electrical, and plumbing contractors, but contracts only with a general prime contractor, who then must contract with the selected mechanical, electrical, and plumbing contractors. This bill also requires DOA to certify persons as qualified and responsible and provides criteria for such certification.

#### \*\*\* ANALYSIS FROM -1130/7 \*\*\*

#### OTHER STATE GOVERNMENT

Currently, with certain exceptions, DOA may sell or lease state-owned real property if DOA determines that the sale is in the best interest of the state and the Building Commission approves the sale. Also currently, various state agencies have authority to sell real property under their jurisdiction subject to various conditions and limitations. The proceeds of any sales are deposited, credited, or used in various ways as provided by law. DOA's authority does not operate to permit the closure or

→ and  
sale of any facility or institution the operation of which is required by law. DOA's authority also does not extend to property under the jurisdiction of the Board of Regents of the UW System. The net proceeds of any sale by DOA are used to retire any outstanding public debt that was incurred to acquire, construct, or improve the property or as required by any applicable federal law or under the terms of any applicable gift or grant. DOA must use any remaining net proceeds to retire other outstanding public debt.

Currently, with certain exceptions, the Building Commission may also sell state-owned real property where this authority is not given to another state agency by law, and may transfer land under its jurisdiction among agencies. Any sales of surplus land having a value of at least \$20,000 are subject to the approval of JCF. However, the Building Commission does not have the authority to sell a parcel of state-owned real property once DOA notifies the commission that an offer of sale or sale with respect to the parcel is pending. The net proceeds of any sales by the Building Commission must be used to retire any public debt that was used to acquire or construct improvements on the property being sold. ~~The remaining net proceeds must be deposited in the budget stabilization fund. Current law also directs the Building Commission to compile biennially and transmit to JCF an inventory of state-owned surplus land.~~ Any

g allowing  
This bill permits DOA or the Building Commission to sell or lease any state-owned real property unless prohibited by the state or federal constitution or federal law. Sales by DOA are subject to the approval of the Building Commission. The bill does not apply to sales conducted to enforce an obligation to this state. The bill retains most of the existing exemptions from DOA's sales authority but eliminates the current exemption of the Board of Regents of the UW System to sell or lease state-owned real property independently of DOA. Under the bill, if DOA or the Building Commission notifies the Board of Regents that an offer of sale, sale, or lease is pending with the respect to a parcel of property, the Board of Regents does not have authority to sell or lease that property. The bill eliminates the current exception that exempts sales that would necessitate the closure of a facility or institution which is provided for by law. However, the bill does not repeal any statutes that require the operation of any facilities or institutions. Under the bill, if DOA or the Building Commission sells all the real property that is currently used to operate a facility or institution, the facility or institution would need to continue in operation. Under the bill, except with respect to exempt property, if any agency has authority to sell or lease real property under any other law, the authority of that agency does not apply after DOA or the Building Commission notifies the agency in writing that an offer of sale or sale, or a lease agreement, is pending with respect to the property. Under the bill, DOA and the Building Commission must first use the net proceeds of any sale or lease to retire any public debt that was used to finance the acquisition, construction, or improvement of the property that is sold. Thereafter, DOA and the Building Commission must use the net proceeds of any sale or lease to pay the costs of federal tax law compliance applicable to the debt. The bill directs DOA and the Building Commission to use the remaining net proceeds of any sale or lease, subject to current requirements, to retire any revenue obligation debt

Therefore,

in the fund that was used to acquire, construct, or improve property that was sold and thereafter to pay the costs of federal tax law compliance applicable to the debt, and thereafter, retire other similar revenue obligations. Thereafter, DOA and the Building Commission are directed to use any remaining net proceeds to retire other outstanding public debt. The bill provides that if any property that is proposed to be sold by DOA or the Building Commission is co-owned by a nonstate entity, DOA or the commission must afford to the co-owner the right of first refusal to purchase the share of the property owned by the state on reasonable financial terms established by DOA or the commission.

The bill also provides that if DOA sells or leases a state-owned heating, cooling, or power plant, DOA may contract for the operation of any function that is performed by the state on the property. The bill provides that if DOA or the Building Commission sells or leases, or if DOA contracts with a purchaser or lessee, for the operation of a state-owned heating, cooling, or power plant that is under the jurisdiction of a state agency, the agency must convey all real and personal property associated with the plant to the purchaser or lessee on terms specified by DOA or the Building Commission.

In addition, the bill modifies the authority of the Building Commission to sell or lease state-owned buildings, structures, and land to parallel the authority of DOA under the bill so that the authority includes property under the jurisdiction of the Board of Regents of the UW System and is not generally limited by sales authority given to state agencies, and so that distribution of sales proceeds is accomplished in the same manner as proceeds of DOA's sales are distributed. The bill deletes the current limitation that certain sales of surplus land are subject to approval of JCF. The bill directs each state agency to submit to DOA biennially an inventory of all real property under its jurisdiction, together with the estimated fair market value of each property. Under the bill, DOA must obtain appraisals of all properties in the inventory that are identified by DOA for potential sale and submit to the Building Commission an inventory containing a location, description, and fair market value of each property identified for potential sale.

**\*\*\* ANALYSIS FROM -1560/2 \*\*\***

This bill creates a capital investment program in DOA and appropriates \$25,000,000 in general purpose revenue for the program in fiscal year 2013-14. The purpose of the program is to make coinvestments in business startups and investment capital projects.

**\*\*\* ANALYSIS FROM -0996/P4 \*\*\***

This bill creates a broadband expansion program under which DOA, in consultation with PSC, makes broadband expansion grants from the universal service fund for the purpose of constructing broadband infrastructure in underserved areas.

**\*\*\* ANALYSIS FROM -0694/P2 \*\*\***

Under current law, DOA administers a program for making grants from the utility public benefits fund to provide assistance to low-income households for: 1) weatherization and other energy conservation services (weatherization and conservation assistance); and 2) payment of energy bills and early identification or

prevention of energy crises (bill and crisis assistance). In each fiscal year, DOA must ensure that the amount spent under the program on grants for weatherization and conservation assistance is equal to 47 percent of a sum that is calculated for the fiscal year. As a result 53 percent of the sum is available to be spent on grants under the program for bill and crisis assistance. This bill requires instead that 50 percent of the sum must be allocated for grants for weatherization and conservation assistance, which results in allocating 50 percent for grants for bill and crisis assistance. The bill also makes changes to how the sum is calculated, including eliminating certain federal funding amounts from the calculation.

*ing* \*\*\* ANALYSIS FROM -0700/P2 \*\*\*

Under current law, counties collect a \$25 fee for recording or filing most instruments that are recorded or filed with a register of deeds. Counties must remit \$10 of each fee to DOA, which DOA uses to make land records modernization grants. If a county meets certain requirements, the county may retain \$8 of each \$10 fee that would otherwise be payable to DOA. In addition, counties may temporarily collect a \$30 fee for recording or filing most instruments that are recorded or filed with a register of deeds if the county uses \$5 of each fee for redacting social security numbers from certain electronic format records.

*No* Under this bill the \$30 fee for recording or filing most instruments that are recorded or filed with a register of deeds is *made* permanent and counties must remit \$15 of each fee to DOA.

\*\*\* ANALYSIS FROM -0545/2 \*\*\*

*also* ← Currently, DOA may provide legal services to any executive branch state agency that has a secretary who serves at the pleasure of the governor. This bill provides that DOA *may* provide legal services to any executive branch state agency that does not have a secretary who serves at the pleasure of the governor, but only at the request of the state agency.

*providing* ← This bill permits DOA to transfer staff and equipment related to the provision of information technology infrastructure services from another executive branch agency, other than the Board of Regents of the UW System, to DOA. The bill also permits DOA to assess executive branch agencies for information technology infrastructure services provided by DOA.

\*\*\* ANALYSIS FROM -0697/1 \*\*\*

This bill authorizes the secretary of administration to maintain intergovernmental affairs offices to conduct public outreach and promote coordination *among* between state agencies and authorities.

\*\*\* ANALYSIS FROM -0747/P5 \*\*\*

TAXATION

INCOME TAXATION

Under current law, there are five income tax brackets for single individuals, certain fiduciaries, heads of households, and married persons. The brackets are indexed for inflation. The rate of taxation under current law for the lowest bracket for single individuals, certain fiduciaries, heads of households, and married persons is 4.6 percent of taxable income; the rate for the second bracket is 6.15 percent; the

*which*

rate for the third bracket is 6.5 percent; the rate for the fourth bracket is 6.75 percent; and the rate for the highest bracket is 7.75 percent.

With regard to taxable year 2012, for single individuals, certain fiduciaries, and heads of households, for example, the lowest bracket applies to taxable income of over \$0 up to \$10,570; the second bracket applies to taxable income over \$10,570 up to \$20,360; the third bracket applies to taxable income over \$20,360 up to \$158,500; the fourth bracket applies to taxable income over \$158,500 up to \$232,660; and the fifth, or top, bracket applies to taxable income over \$232,660.

For taxable years beginning after December 31, 2012, this bill lowers the rate of taxation in each in each of the first three brackets; the rates in the top two brackets remain unchanged. Under the bill, the tax rate in the lowest bracket is reduced from 4.60 percent to 4.50 percent; the rate in the next higher bracket is reduced from 6.15 percent to 5.94 percent; the rate in the next higher bracket is reduced from 6.50 percent to 6.36 percent. The brackets will continue to be indexed for inflation as is the case under current law. and

\*\*\* ANALYSIS FROM -0308/P1 \*\*\*

Generally under current law, an individual may voluntarily designate on his or her income tax return an additional payment, or any amount of a refund he or she is due, for the Badger Chapter of the American Red Cross for its Wisconsin Disaster Relief Fund (fund). Amounts so designated, minus administrative costs, are transferred to DHS, which in turn pays the net amount of designations to the fund. Under this bill, the net amount of such designations are distributed by DOR directly to the fund.

\*\*\* ANALYSIS FROM -1152/2 \*\*\*

Under current law, the veterans and surviving spouses property tax credit may be claimed by certain U.S. armed forces veterans and by the unremarried surviving spouses of certain veterans or members of the national guard or reserves (collectively, "veterans"). To be eligible to claim the credit, the veteran must meet several criteria, including criteria related to the veteran's residency in this state and his or her disability rating. Similarly, to be eligible to claim the credit as a spouse of a veteran, the veteran to whom the unremarried surviving spouse was married must have met these same residency and disability criteria.

\* In general, the credit may be currently claimed in an amount equal to the property taxes paid by the claimant on the veteran's principal dwelling in the year to which the claim relates. The credit is refundable. If the amount of the credit for which a claimant is eligible exceeds the claimant's income tax liability, the excess amount of the credit is paid to the claimant by check. (refundable tax credit)

For taxable years beginning after December 31, 2013, this bill expands the definition of eligible unremarried surviving spouse to include an individual who is eligible for, and receives, dependency and indemnity compensation from the federal government due to his or her spouse's status as a veteran whose death was service-connected.

\*\*\* ANALYSIS FROM -0502/P3 \*\*\*

Under current law, there is an individual income tax subtraction for amounts paid by a claimant for tuition expenses and mandatory student fees for a student who

is the claimant or the claimant's dependent under the Internal Revenue Code (IRC), to attend an institution of higher education that is approved by the Educational Approval Board and that is located in Wisconsin, or to attend certain postsecondary schools in Minnesota to which the Minnesota-Wisconsin reciprocity agreement applies. The tuition expenses and fees for which a subtraction may be claimed are calculated based on the amount of tuition charged by the Board of Regents of the UW System at four-year institutions.

Also under current law, the subtraction that a claimant may claim for such tuition expenses and mandatory student fees is reduced as the claimant's annual federal adjusted gross income (FAGI) increases until, at a certain point, no subtraction may be claimed. Currently, the allowable subtraction phases out, for a single person or a married person filing as a head of household, as the claimant's FAGI increases from \$50,000 to \$60,000. Once such a claimant's FAGI exceeds \$60,000, he or she may not claim the subtraction. For a married person filing a joint return, the phaseout occurs as the married couple's joint FAGI increases from \$80,000 to \$100,000, and no subtraction is allowed once the married couple's joint FAGI exceeds \$100,000. The phaseout for a married person filing a separate return occurs as the claimant's FAGI increases from \$40,000 to \$50,000, and no subtraction is allowed once the claimant's FAGI exceeds \$50,000. *e*

Under this bill, the current law dollar amounts for the phase-out range, and the maximum income, are indexed for inflation, beginning with taxable year 2013.

\*\*\* ANALYSIS FROM -0302/P1 \*\*\*

This bill creates penalties for a person who negligently or fraudulently files an incorrect claim for a tax refund or credit. Under the bill, the penalty for negligence is 25 percent of the difference between the amount claimed and the amount that should have been claimed, and the penalty for fraud is 100 percent of the difference between the amount claimed and the amount that should have been claimed. In addition, any person, other than a corporation or limited liability company, who files an income tax return in which the person tries to obtain a refund or credit with fraudulent intent is guilty of a Class H felony.

\*\*\* ANALYSIS FROM -0305/P1 \*\*\*

*credits*  
This bill prohibits an individual who files a fraudulent claim for an earned income tax credit or homestead tax credit (credit) from filing a claim for either credit for 10 years. The bill also prohibits an individual who files a reckless claim for *one of these* credit from filing a claim for either credit for two years.

*NOT* Under the bill, a claim is fraudulent if it is false or excessive and filed with fraudulent intent, as determined by DOR, and a claim is reckless if it is improper, due to reckless or intentional disregard of the provisions of the income tax statutes or of rules and regulations of DOR, as determined by *e* the department *DOR*

\*\*\* ANALYSIS FROM -0790/1 \*\*\*

Under current law, capital gains on certain Wisconsin-sourced capital assets are exempted from taxation. For taxable years beginning after December 31, 2015, an individual; an individual partner or member of a partnership, limited liability company, or limited liability partnership; or an individual shareholder of a tax-option corporation (claimant) may subtract from FAGI the lesser of the



claimant's federal net capital gain as reported on the claimant's federal tax return if, in that year, the claimant had a qualifying gain, or the claimant's qualifying gain.

*for the exemption*

The capital gains exemption defines "qualifying gain" as the gain realized by the sale of any asset that is purchased after December 31, 2010, held for at least five consecutive years, is a Wisconsin capital asset at the time of purchase and for at least two of the next four years, and treated as a long-term gain under federal law. A "Wisconsin capital asset" is real or tangible personal property that is located in this state and used in a Wisconsin business, or stock or other ownership interest in a Wisconsin business. Currently, a business may apply to WEDC for annual certification. WEDC may certify a business if it determines that, in the taxable year ending immediately before the date of the business's application, at least 50 percent of the business's payroll is paid in Wisconsin and at least 50 percent of the value of the business's real and tangible personal property is used by the business in this state.

*e certifying*

This bill transfers the responsibility for registering a business from WEDC to DOR, subject to the business meeting the same conditions related to payroll and the value of the business's real and tangible personal property as is the case under current law. Also under the bill, excluded gain is not limited to net capital gain, and the bill clarifies that the exclusion is for gain on investments in a business and not for individual assets of the business.

*g*

Also under current law, there are two income tax deferrals for capital gains that are reinvested in qualified Wisconsin businesses.

*no*

Under one of the deferrals (long-term deferral), a claimant may elect to defer the payment of income taxes on up to \$10,000,000 of the gain realized from the sale of any capital asset held more than one year (original asset) that is treated as a long-term gain under the IRC, if the claimant completes a number of requirements.

*o*

The requirements include: placing the gain from the original asset in a segregated account in a financial institution; investing all of the proceeds in a qualified new business venture (QNBV), as certified by WEDC, within 180 days after the sale of the original asset that generated the gain; and notifying DOR on a form prepared by DOR that the claimant is deferring the payment of income tax on the gain from the original asset because the proceeds have been reinvested. Under the bill, the long-term deferral may no longer be claimed for taxable years beginning after December 31, 2013.

Under the other deferral (Wisconsin assets deferral), a claimant may elect to defer the payment of income taxes on any amount of the gain realized from the sale of any capital asset held more than one year (original new asset) that is treated as a long-term gain under the IRC, if the claimant completes a number of requirements.

*o*

The current requirements for the Wisconsin assets deferral are nearly the same as the requirements for the long-term deferral, although the proceeds must be invested in a "qualified Wisconsin business," as certified by WEDC, instead of a QNBV.

Under this bill, for taxable years beginning after December 31, 2013, the current requirement that the gain realized from the sale of the applicable long-term asset must be deposited into a segregated account in a financial institution does not

apply. This bill transfers the responsibility for registering a business under the Wisconsin assets deferral from WEDC to DOR. *certifying*

\*\*\* ANALYSIS FROM -0765/P1 \*\*\*

1 Under current law, an individual may claim as an income tax credit an amount equal to 25 percent of the individual's angel investment in a qualified new business venture in this state. The total amount of angel investment credits that all taxpayers may claim in all taxable years combined is \$47,500,000. This bill eliminates the limit of the total amount of angel investment credits that taxpayers may claim.

\*\*\* ANALYSIS FROM -1505/P3 \*\*\*

Under current law, an individual taxpayer may claim a state income tax credit equal to the taxpayer's qualified production activities income derived from manufacturing property or agricultural property located in this state, multiplied by a certain percentage. A corporation may claim a state income and franchise tax credit equal to the lesser of its taxable income apportioned to this state or its qualified production activities income derived from manufacturing property or agricultural property located in this state, multiplied by a certain percentage. This bill provides that an individual may claim the credit only against the amount of the tax imposed on the income of the individual's business operations.

\*\*\* ANALYSIS FROM -0506/P5 \*\*\*

*IRC* This bill adopts, for state income and franchise tax purposes, changes made to the federal Internal Revenue Code related to transferring retirement plan amounts to designated ROTH accounts without distribution, limiting the amount of salary reduction for a health care flexible spending arrangement, eliminating a deduction for expenses allocable to a Medicare, Part D subsidy, increasing the threshold for itemized medical expense deductions from 7.5 percent to 10 percent of adjusted gross income, increasing the penalty for nonqualified distributions from a health savings account, and limiting the deduction for remuneration paid by health insurance providers. *IRC*

The bill also adopts the changes made to the federal Internal Revenue Code related to free choice vouchers, corporate repurchasing of convertible debt instruments, pension funding rules for determining segment rates, transfers from excess pension assets to retiree medical accounts or for purchasing retiree group term life insurance, phased retirements, the installment method for accrual basis taxpayers, and the tax treatment of Blue Cross and Blue Shield organizations.

*(farmland credit)*

\*\*\* ANALYSIS FROM -1511/P1 \*\*\*

Under current law, an eligible claimant may claim a refundable farmland preservation tax credit based on the number of the claimant's qualified acres and the type of zoning district in which the acres are located. A refundable tax credit means that, if the amount of the credit that is otherwise due an eligible claimant exceeds the claimant's tax liability, or if there is no outstanding tax liability, the excess amount of the credit is paid to the claimant by check. *farmland*

Also under current law, the maximum amount of credits that may be claimed in any fiscal year may not exceed \$27,007,200. If the amount of eligible claims exceed this amount, the excess claims are paid in the next succeeding fiscal year and DOR is required to prorate the per acre amounts that may be claimed.

Under this bill, the maximum amount of credits that may be claimed in the 2013-14 fiscal year, and in any succeeding fiscal year, may not exceed \$25,304,300 and the treatment of excess claims and proration is treated the same way as under current law. <sup>farmland</sup>

<sup>state</sup> <sup>the</sup> \*\*\* ANALYSIS FROM -0746/P1 \*\*\* <sup>care</sup>

Under current law, certain individuals may claim an income tax deduction for amounts paid for medical care insurance for the individual, his or her spouse, and his or her dependents. Under federal law, commonly known as the Patient Protection and Affordable Care Act (PPACA), beginning in 2014 certain individuals will be eligible to receive premium assistance in the form of federal tax credits to make it more affordable for such individuals to purchase medical care insurance.

This bill clarifies that the current state income tax deduction for medical care insurance may not be claimed for any amount that is paid for with a premium assistance credit under the PPACA.

\*\*\* ANALYSIS FROM -0810/P2 \*\*\*

Under current law, a health care provider may claim an income and franchise tax credit equal to 50 percent of the amount that the health care provider paid in the taxable year for information technology hardware or software that is used to maintain medical records in electronic form. Under this bill, no health care provider may claim the credit for taxable years beginning after December 31, 2013.

\*\*\* ANALYSIS FROM -0255/P2 \*\*\*

Under this bill, generally, a person who is subject to an assessment or audit determination by DOR is not liable for any amount that DOR asserts that the person owes if the liability asserted is the result of a tax issue that existed in a prior assessment or audit, a DOR employee involved in the prior assessment or audit knew of the tax issue, and DOR did not assert the liability for the tax issue at the time of the prior assessment or audit. This provision, however, does not cover the treatment of tax issues that were not specifically addressed in the prior assessment or audit determination by DOR.

\*\*\* ANALYSIS FROM -0279/2 \*\*\* <sup>e</sup>

Under current law, the interest income from bonds issued by WHEFA is exempt from income taxation if the bond proceeds are used by a health facility to acquire information technology hardware or software. Under this bill, the interest income from bonds issued by WHEFA is also exempt from income taxation if the bonds are issued for the benefit of a person who is eligible to receive bond proceeds from another entity for the same purpose and the interest income received from the other bonds is exempt from taxation.

\*\*\* ANALYSIS FROM -0281/P3 \*\*\*

Under current law, if a person who is liable for income taxes fails to pay the taxes within ten days from the date that the taxes become delinquent, DOR may obtain the person's real or personal property and sell that property to pay the delinquent taxes. After DOR obtains the property, DOR must notify the property owner, in writing, that it has obtained the property and that the property will be sold if the delinquent taxes are not paid. DOR must also post a public notice of the sale.

*No 9*  
This bill allows DOR to provide notice of obtaining a person's property in the manner prescribed by DOR. Under the bill, DOR does not have to provide notice to the property owner of the sale of the person's property, but must still post a public notice of the sale.

\*\*\* ANALYSIS FROM -0740/P4 \*\*\*

PROPERTY TAXATION

*also*  
\* Under current law, solar energy systems and wind energy systems are exempt from personal property taxes. Under this bill, biogas energy systems are exempt from personal property taxes.

\*\*\* ANALYSIS FROM -0956/P1 \*\*\*

Under this bill, the state no longer appropriates moneys from the lottery fund to pay a portion of the school levy property tax credit.

\*\*\* ANALYSIS FROM -0360/P2 \*\*\*

OTHER TAXATION

Under current law, in order to offer cigarettes for sale in this state, a cigarette manufacturer must have a valid permit issued by DOR and pay the cigarette tax on all cigarettes offered for sale in this state. Cigarette manufacturers must also comply with fire safety standards for cigarettes and with the master settlement agreement entered into with U.S. tobacco product manufacturers. *specifies*

*No 9* This bill clarifies current law by specifying that a cigarette manufacturer includes a person who owns an automated roll-your-own machine that is used to make cigarettes, but does not include an individual who owns a roll-your-own machine and uses the machine solely to make cigarettes for his or her personal use or for the use of other individuals who live in his or her home.

\*\*\* ANALYSIS FROM -0516/P1 \*\*\* *J*

This bill creates a sales and use tax exemption for items and services sold as part of a lump sum contract. Under the bill, a lump sum contract is a contract to perform real property construction activities and for which the contractor quotes the charge for labor, services of subcontractors, and materials as one price, including a contract for which the contractor itemizes the charges for labor, services of subcontractors, and materials as part of a schedule of values or similar document. *e*

\*\*\* ANALYSIS FROM -0518/P2 \*\*\*

Under current law, the sale of tangible personal property, animals, and certain other items to a person who is primarily engaged in biotechnology or manufacturing in this state is exempt from the sales and use tax if the property, animals, or items are used for qualified research. This bill allows a member of a combined group of corporations to claim the exemption if another group member is conducting qualified research for the member who is engaged in biotechnology or manufacturing in this state.

\*\*\* ANALYSIS FROM -0257/P1 \*\*\*

Under current law, a retailer submits the sales and use taxes that the retailer collected during each calendar quarter to DOR no later than the last day of the month following the end of the previous calendar quarter. If, however, a retailer collects more than \$600 in any calendar quarter, DOR may require the retailer to submit the taxes no later than the last day of the month following the month in which the taxes

are collected. Under this bill, if a retailer collects more than \$1,200 in any calendar quarter, DOR may require the retailer to submit the taxes no later than the last day of the month following the month in which the taxes are collected.

\*\*\* ANALYSIS FROM -0272/P1 \*\*\*

also Under current law, DOR may enter into agreements with other states to provide for offsetting Wisconsin tax refunds against tax obligations of other states and offsetting tax refunds of other states against Wisconsin tax obligations. Under this bill, DOR may enter into agreements with other states to provide for offsetting Wisconsin tax refunds against tax and nontax obligations of other states and offsetting tax refunds of other states against Wisconsin tax and nontax obligations.

\*\*\* ANALYSIS FROM -0356/P1 \*\*\*

used Under current law, instead of paying local general property taxes, public utilities and telephone companies pay taxes imposed by the state based on property value. These taxes are referred to as ad valorem taxes. Under this bill, DOR may use the same methods for collecting delinquent income taxes, including imposing a levy on a taxpayer's property, to collect delinquent ad valorem taxes owed by public utilities and telephone companies.

\*\*\* ANALYSIS FROM -0358/P1 \*\*\*

This bill provides that for purposes of imposing the motor vehicle fuel tax, motor vehicle fuel shipped by pipeline spur to an airport hydrant system is received when the motor vehicle fuel is received from the main pipeline into the initial or primary storage facility or holding terminal by the owner of the storage facility or holding terminal.

\*\*\* ANALYSIS FROM -0260/P1 \*\*\*

Under this bill, the sales and use tax administrative provisions related to single-owner entities disregarded as separate entities for income tax purposes apply to administering the local food and beverage tax, the local rental car tax, the state rental vehicle fee, and the local exposition district room tax.

\*\*\* ANALYSIS FROM -0263/P2 \*\*\*

Under current law, DOR may write off from its records all sales, use, withholding, motor vehicle fuel, gift, beverage, and cigarette tax liabilities that it determines are not collectible. This bill allows DOR to write off all tax and fee liabilities it determines are not collectible, not just the taxes specified under current law.

\*\*\* ANALYSIS FROM -0264/P2 \*\*\*

Under current law, the sale of certain items is exempt from the sales tax and the use tax if the items are used exclusively and directly in the business of farming, including dairy farming, agriculture, horticulture, floriculture, silviculture, and custom farming services. Under this bill, "custom farming services" include services performed by a veterinarian to animals that are farm livestock or work stock.

\*\*\* ANALYSIS FROM -0520/P1 \*\*\*

Under current law, the printing of tangible personal property is not a service subject to the sales and use tax if it results in catalogs or other printed materials designed to promote the sale of merchandise. Under this bill, printing of tangible

property that results in advertising and promotional direct mail is also not subject to the sales and use tax.

**\*\*\* ANALYSIS FROM -0254/4 \*\*\***

**TRANSPORTATION**

**HIGHWAYS**

This bill makes changes with respect to which highway operations and activities are considered highway improvements and which are considered highway maintenance, which affects the source of funding for these operations and activities. However, under the bill, some highway operations and activities, such as maintenance for roadside improvements and private contractor maintenance, can be funded from more than one appropriation. Under this bill, highway maintenance activities no longer include, and highway improvements no longer exclude, the installation, replacement, or rehabilitation of traffic control signals and intelligent transportation (IT) systems, but maintenance of traffic control signals and IT systems are still considered maintenance activities. The bill limits DOT's expenditure, from certain highway improvement appropriations, of moneys for the installation, replacement, or rehabilitation of traffic control signals and IT systems to a total of \$20,000,000 in any fiscal year.

**\*\*\* ANALYSIS FROM -0161/3 \*\*\***

This bill allows DOT to enter into sponsorship agreements under which DOT displays a sponsor's advertising or promotional material at locations owned or controlled by DOT in exchange for the sponsor's payment of fees or provision of services to DOT. The bill also allows DOT to enter into partnership agreements under which DOT authorizes a partner to engage in commercial activity at locations owned or controlled by DOT in exchange for the partner's payment of fees or provision of services to DOT. Fees received by DOT under these agreements may be used by DOT for, among other purposes, maintenance and repair of state trunk highways and roadside improvements. Contracts for sponsorship agreements and partnership agreements must be awarded on the basis of competitive proposals.

**\*\*\* ANALYSIS FROM -0612/4 \*\*\***

With regard to using bond proceeds to pay for highway projects, this bill does <sup>e The</sup> all of the following:

1. Allows general obligation bonds, in an amount not exceeding \$200,000,000, to be used to fund high-cost state highway bridge projects, which are projects involving the construction or rehabilitation of a bridge on the state trunk highway system that have a total estimated cost of more than \$150,000,000.
2. Authorizes an additional \$107,000,000 in general obligation bond proceeds to fund the Zoo interchange project and the I 94 north-south corridor project.
3. Authorizes an additional \$200,000,000 in general obligation bond proceeds to fund southeast Wisconsin freeway megaprojects. Debt service on these bonds is paid from the general fund.
4. Increases the revenue bond limit, from \$3,351,547,300 to \$3,768,059,300, for major highway projects and transportation administrative facilities.

**\*\*\* ANALYSIS FROM -1169/2 \*\*\***

**\*\*\* ANALYSIS FROM -0611/2 \*\*\***

**\*\*\* ANALYSIS FROM -1355/1 \*\*\*****\*\*\* ANALYSIS FROM -0609/1 \*\*\***

This bill eliminates DOT's bicycle and pedestrian facilities program, transportation enhancement activities program, safe routes to school program, and traffic marking enhancement program and creates instead a transportation alternatives program. Under this program, DOT may award grants to political subdivisions for transportation alternatives activities such as: construction, planning, and design of trail facilities and infrastructure-related projects for pedestrians, bicyclists, and other nondrivers; trail conversion of abandoned railroad corridors; construction of overlooks and viewing areas; and preservation of historic transportation facilities.

**\*\*\* ANALYSIS FROM -1109/4 \*\*\***

Under current law, if a highway or bridge that is not on the state trunk highway system (highway) is damaged by flood, the county or municipality having jurisdiction over the highway may petition DOT for payment of flood damage aid to cover part of the repair or replacement cost.

*NA* This bill expands DOT's flood damage aid program to a disaster damage aid program. Under the bill, a "disaster" is defined as any of the following: 1) a severe storm, flood, fire, tornado, mudslide, or other natural event external to a highway; 2) the sudden failure of a major element or segment of the highway system due to a cause that is external to a highway; or 3) an event or recurring damage caused by any governmental unit or person acting under the direction or approval of, or permit issued by, any governmental unit and in response to an event described in item 1) or *2) above*. The bill also prohibits DOT from paying disaster damage aid in excess of \$1,000,000, in connection with disaster damage resulting from a single disaster, unless the payment of aid is approved by the governor.

**\*\*\* ANALYSIS FROM -0154/1 \*\*\***

Under current law, beginning July 1, 2014, DOT must maintain an inventory of completed designs for highway projects under the major highway projects program and the reconditioning, reconstruction, and resurfacing projects program. Under this bill, the estimated costs of the inventory of projects for each program must be not less than 20 percent of the annual amount of funding provided to each program.

**\*\*\* ANALYSIS FROM -0610/1 \*\*\***

This bill repeals a provision of current law that prohibits a southeast Wisconsin freeway rehabilitation project from adding vehicle lanes on I 94 adjacent to Wood National Cemetery.

**\*\*\* ANALYSIS FROM -0160/1 \*\*\*****\*\*\* ANALYSIS FROM -0155/3 \*\*\*****\*\*\* ANALYSIS FROM -0140/1 \*\*\***

**DRIVERS AND MOTOR VEHICLES**

Current law includes certain regulation of motor carriers engaged in interstate commerce. This bill imposes the same regulation on motor carriers engaged in intrastate commerce.

**\*\*\* ANALYSIS FROM -0157/1 \*\*\***

Under current law, with limited exceptions, no person may operate on a highway any vehicle or vehicle combination that exceeds certain statutory weight limits unless the person obtains a permit issued by DOT or a local highway authority. In general, if a person violates weight limit requirements, the person may be required to forfeit a specified amount plus an additional amount per pound of excess weight. This bill increases the per pound of excess weight forfeiture rates.

Also under current law, in general, if a person violates weight limit requirements while operating a vehicle that is transporting raw forest products, a different penalty applies. This bill increases the penalty for a second conviction for violating weight limits while transporting raw forest products.

**\*\*\* ANALYSIS FROM -0317/1 \*\*\*****\*\*\* ANALYSIS FROM -1115/4 \*\*\*****TRANSPORTATION AIDS**

Under current law, DOT provides state aid payments to local public bodies in urban areas served by mass transit systems to assist the local public bodies with the expenses of operating those systems.

This bill changes the funding source for mass transit operating aids from the transportation fund to the general fund beginning on July 1, 2014.

**\*\*\* ANALYSIS FROM -0661/1 \*\*\***

This bill also changes the total amount of state aid payments to two of the four classes of mass transit systems for which aid amounts are specified.

**\*\*\* ANALYSIS FROM -0605/1 \*\*\*****RAIL AND AIR TRANSPORTATION**

This bill increases the authorized general obligation bonding limit to \$216,500,000 to acquire railroad property and provide grants and loans for railroad property acquisition and improvement.

**\*\*\* ANALYSIS FROM -0156/1 \*\*\*****OTHER TRANSPORTATION**

This bill requires DOT to administer a surveying reference station system that consists of monuments that are used to generate latitude, longitude, and elevation data; reference stations that continuously transmit global positioning system data to a system server; and the system server, which receives and processes the data received from the reference stations. The bill also permits DOT to charge a fee to persons who access the system in an amount to be established by rule. All access fees received by DOT are appropriated for system maintenance and operation costs.

**\*\*\* ANALYSIS FROM -0515/P1 \*\*\***

Under current law, a person who is convicted of certain violations relating to operating a vehicle while intoxicated must pay a driver improvement surcharge of

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that are imposed for  
unlawfully  
operating  
vehicles  
exceeding weigh  
limits without  
a permit

from the transportation fund

those

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\$365 in addition to any applicable forfeiture or fine, assessments, and costs. A portion of the money collected from this surcharge is provided to DOT for chemical testing training and services provided by the state traffic patrol.

*No. 9* Under this bill, driver improvement surcharge money is no longer provided to DOT for the chemical testing training and services provided by the state traffic patrol. The training and services are instead funded from the transportation fund.

\*\*\* ANALYSIS FROM -0606/1 \*\*\*

This bill increases the authorized general obligation bonding limit to \$87,500,000 to provide grants for harbor improvements.

\*\*\* ANALYSIS FROM -0009/2 \*\*\*

### VETERANS

Current law imposes certain state residency requirements that apply to veterans and widows, widowers, and parents of living and deceased veterans who are seeking admission to veterans homes operated by the state. Also, under current law, DVA administers a priority system for admissions into a veteran home. Under the system, veterans have first priority, spouses have second priority, surviving spouses have third priority, and parents of veterans have fourth priority.

This bill eliminates all residency requirements, but gives priority to residents over nonresidents. The bill establishes a priority system within each of the four priority levels described above. Under the system, state residents who have resided in the state for more than six continuous months before the date of application have first priority, other state residents have second priority, and nonresidents have third priority.

\* Current law *also* imposes certain state residency requirements on veterans and members of the U.S. armed forces for burial in a state veterans cemetery. This bill expands eligibility for burial in a state veterans cemetery to include anyone who is a resident of a state veterans home. The bill also requires DVA to maintain a waiting list for each cemetery and to give priority to state residents over nonresidents.

\*\*\* ANALYSIS FROM -0390/P3 \*\*\*

\* Current law *also* imposes certain state residency requirements for a veteran to receive assistance whose need for assistance is based on homelessness, incarceration, or other circumstances established by DVA. *the veteran's* A veteran may be eligible for such assistance from DVA only if the veteran is a resident of and living in Wisconsin at the time the veteran applies for assistance. *Such* This bill eliminates that residency requirement for such assistance.

§ \*\*\* ANALYSIS FROM -1427/P3 \*\*\*

*the* This bill directs DVA to pay \$500,000 in fiscal year 2013-14 to VETtransfer, Inc. (VETtransfer), an organization that provides training and other assistance to veterans engaged in entrepreneurship. *those* Of those moneys, the bill requires VETtransfer to use at least \$300,000 to make grants to Wisconsin veterans or their businesses to cover costs associated with the start-up of veteran-owned businesses *move to p. 76* located in Wisconsin and the bill authorizes VETtransfer to use up to \$200,000 to provide entrepreneurial training and related services to Wisconsin veterans. *those moneys* VETtransfer must repay to the state any moneys not used by June 30, 2017. DVA may extend that deadline. *but*

*2* *The bill modifies the amount of* *\*\*\* jobs* *Insert from p. 75* *that DVA must make*  
 Under current law, DVA is required to make annual payments to certain federally recognized state veterans organizations in Wisconsin based on the amount a state veterans organization pays each year to its employees who provide certain services to veterans in Wisconsin. Current law requires DVA to make the following annual payments:

1. If a state veterans organization paid from \$1 to \$2,499 in salaries and travel expenses to such employees in the previous year, an amount equal to the amount paid.
2. If the state veterans organization paid from \$2,500 to \$9,999 in salaries and travel expenses to such employees in the previous year, \$2,500.
3. If the state veterans organization paid from \$10,000 to \$119,999 in salaries and travel expenses to such employees in the previous year, an amount equal to 25 percent of the amount paid.
4. If the state veterans organization paid \$120,000 or more in salaries and travel expenses to such employees in the previous year, \$30,000.

This bill replaces those payments with the requirement that DVA make the following annual payments:

1. If the state veterans organization paid from \$1 to \$119,999 in salaries and travel expenses to such employees in the previous year, an amount equal to 50 percent of the amount paid.
2. If the state veterans organization paid \$120,000 or more in salaries and travel expenses to such employees in the previous year, \$70,000.

*1* *Also* under current law, DVA is required to pay \$100,000 annually to the Wisconsin department of the Disabled American Veterans for the provision of transportation services to veterans. The bill increases that amount to \$120,000.

*1* The bill *also* authorizes DVA to grant up to \$50,000 annually to the Wisconsin department of the American Legion for the operation of Camp American Legion located in the town of Lake Tomahawk.

*1* Under current law, DVA may make annual grants of up to \$8,500 to American Indian tribes or bands for the improvement of a tribe's or band's services to veterans. A tribe or band must satisfy certain requirements to be eligible for a grant, including appointing a veteran to serve as the tribe's or band's tribal veterans service officer. The bill increases that authorization to up to \$15,000 for each grant DVA makes to an American Indian tribe or band.

\*\*\* ANALYSIS FROM -1499/P2 \*\*\*

\*\*\* ANALYSIS FROM -1531/P2 \*\*\*

*The* *g* *2* This bill establishes a tuition reimbursement program for veterans enrolled in the College of Menominee Nation or Lac Courte Oreilles Ojibwa Community College (tribal colleges). Under the bill, DVA is generally required to reimburse a veteran for tribal college tuition if the veteran applies to DVA for reimbursement, is enrolled as a member of a federally recognized American Indian tribe or band in Wisconsin, and satisfies the bill's other eligibility requirements.

A veteran who is eligible for tuition reimbursement under the program must receive at least a 2.0 grade point average, or an average "C" grade, for any semester

subject to certain limitations,

*move to p. 75*  
*for up to 120 credits of*

for which reimbursement is sought. In addition, the number of credits for which a veteran may receive tuition reimbursement is limited to between 30 and 120 credits.

\*\*\* ANALYSIS FROM -1357/1 \*\*\*

Under current law, the Board of Veterans Affairs (board) may approve or veto plans or modifications for established state veterans memorials and make recommendations for future memorials. This bill restricts the board's authority only to proposals for plans or modifications of memorials for which DVA has estimated that the costs will exceed \$25,000.

\*\*\* ANALYSIS FROM -0388/1 \*\*\*

Under current law, each nursing home is required to pay the state an assessment of not more than \$170 per bed, per month. The assessment revenue is deposited in the Medical Assistance (MA) trust fund and is generally expended for MA services for which the federal government contributes a share of the costs. Current law exempts Wisconsin veterans homes from having to pay the assessment for the 2011-13 fiscal biennium. This bill makes the exemption permanent.

\*\*\* ANALYSIS FROM -0008/P2 \*\*\*

Under current law, DVA employs commandants for the administration of veterans homes. Among other duties, a commandant may receive, disburse, and account for the personal funds of a resident of the veterans home the commandant oversees.

Under this bill, the secretary of DVA or the secretary's designee may also receive, disburse, and account for the funds of a veterans home resident.

\*\*\* ANALYSIS FROM -0399/1 \*\*\*

Under current law, documents that are evidence of service in the United States armed forces and that are in the possession of DVA may be disclosed only to veterans or their duly authorized representatives. Under current law, a "duly authorized representative" is a person who has written authorization from a veteran to act on his or her behalf, a guardian if the veteran has been adjudicated incompetent, or a legal representative if the veteran is deceased. A spouse or adult child of a veteran or a parent of an unmarried veteran may be also be considered a duly authorized representative of the veteran if there is no written authorization, guardian, or legal representative. This bill expands this list of relatives to include an adult sibling of a veteran.

\*\*\* ANALYSIS FROM -1258/2 \*\*\*

Under current law, DWD administers the federal Disabled Veterans' Outreach Program, under which DWD employs specialists to provide services to meet the employment needs of eligible veterans, and the federal Local Veterans' Employment Representative Program, under which DWD employs representatives to facilitate employment, training, and placement services for veterans. This bill requires DWD and DVA, jointly, to prepare and submit to the secretary of the federal Department of Labor (secretary) a plan to transfer administration of those programs from DWD

to DVA. If the <sup>is</sup> secretary approves the plan, responsibility for administration of those programs shall be transferred from DWD to DVA.

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***The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:***